

## HOPE FOR HOMEOWNERS

### FREQUENTLY ASKED QUESTIONS FOR CONSUMERS

#### **General/Program related questions**

##### **What is the HOPE for Homeowners Program (H4H)?**

This new program, created by Congress, is intended to help borrowers at risk of default and foreclosure refinance into more affordable loans.

##### **How can the H4H program help me?**

If you are having trouble making your mortgage payments, this program may allow you to refinance your loan into a new 30- or 40-year fixed rate loan with lower payments.

##### **Do I have to pay anything to apply?**

There will be closing costs associated with HOPE for Homeowners loans; however, they may not be required to be paid out of pocket by the borrower. Please consult your lender or a HUD-approved Housing Counselor for more details. To find a FHA-approved lender or HUD-approved Housing Counselor, please go to [www.fha.gov](http://www.fha.gov).

##### **How long will the process take?**

Processing time will vary, but usually takes approximately 60 days. Please consult your lender when you apply.

##### **What information do I need to apply?**

Your lender is in the best position to answer this question based on your specific situation, but at a minimum you will need evidence of your income and assets, as well as your current mortgage information.

##### **How long is the H4H program available?**

The program began on October 1, 2008 and will end on September 30, 2011.

##### **What interest rate will I receive?**

The interest rate for the new H4H loan will be provided by the lender and is based on current market rates.

##### **I don't want another adjustable rate mortgage. Will this interest rate be fixed or adjustable?**

All HOPE for Homeowners loans are 30- or 40-year **FIXED RATE** mortgages insured by the Federal Housing Administration (FHA).

##### **I contacted my lender and they are not interested in participating in this program. Can I apply with HUD?**

HUD/FHA does not accept loan applications or lend money directly. Contact your existing lender or another FHA-approved lender to see if they are participating in the H4H program. Like all FHA programs, you can only apply through a participating lender. You may also wish to contact a HUD-

approved housing counselor to learn more about your options. HOPE for Homeowners is a voluntary program for both borrowers and existing lenders. In order to complete a HOPE for Homeowners loan, however, your lender must agree to accept the proceeds of the new loan as payment in full. For a list of participating lenders and counselors please go to [www.fha.gov](http://www.fha.gov).

### **Eligibility questions**

**My lender has started foreclosure proceedings. Can I still apply for H4H?**

Yes, however, time is of the essence.

**Is there an income restriction?**

No, but you will need to demonstrate that you have sufficient, steady income to make the new H4H mortgage payments.

**I recently filed for bankruptcy. Am I still able to apply for H4H?**

Yes, borrowers in bankruptcy may participate; however, you will want to consult with the person handling your bankruptcy.

**My lender has already foreclosed on my home. Can I still apply for H4H?**

It may be possible depending on which stage of the foreclosure process you are in. You should talk to your lender immediately for more detailed information.

**I have a first and second mortgage on my home. Can I still apply for H4H?**

Yes, however, all your existing lenders must agree to release the liens against your home.

**I am current on my mortgage. Can I apply for H4H?**

Yes.

### **Lender related questions**

**Can you recommend a lender?**

HUD does not recommend lenders; however, a list of participating lenders is located on our website at [www.fha.gov](http://www.fha.gov). In the section marked "At your service," please click on the link "Find a HUD approved Lender in your area."

**I can't reach my lender and I would like to apply. What should I do?**

You may contact any participating lender to apply. For a list of HUD-approved lenders, please go to our website at [www.fha.gov](http://www.fha.gov). In the section marked "At your service," please click on the link "Find a HUD approved Lender in your area."

**My lender is not registered and I would like to apply. What should I do?**

You may contact any participating lender to apply. For a list of HUD approved lenders please go to our website at [www.fha.gov](http://www.fha.gov). In the section marked "At your service," please click on the link "Find a HUD approved Lender in your area."

## **Counseling questions**

### **I am not clear on what to do. How do I decide if this is the right choice for me?**

You can contact a HUD-approved Housing Counselor in your area. They can help you evaluate the different options that may be available to you, and help you determine your best course of action. You can locate a counselor in your area by going to our website [www.fha.gov](http://www.fha.gov) and clicking on the link "Talk to a Housing Counselor."

### **How can a housing counselor help me?**

Housing counselors are knowledgeable about available programs to help struggling homeowners. They can review your specific situation, identify your options and help you make an informed decision.

### **Will I have to pay taxes on the portion of my loan(s) my current lender(s) "write off" or forgive?**

You should contact the Internal Revenue Service at 1-800-TAX-1040, or your tax advisor regarding tax-related questions.

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